

## **Statement on how the remuneration policy is consistent with the integration of sustainability risks**

The remuneration principles of responsAbility Investments AG and its subsidiaries (“rA”) are based on the principles of its core business, namely impact investing in emerging economies.

It is designed to attract and reward a qualified and diverse work force that strongly identifies with its business purpose. The total compensation of rA employees consists of a fixed salary and possible additional elements such as variable remuneration components, share participation models and further benefits.

This variable remuneration is linked to the performance at employee and at company level, and it is established based on the extent to which annual objectives are achieved. Given that impact investing is the core business activity of rA, sustainability considerations (including risks) are an integral part of such objectives.

The variable remuneration system is designed to avoid compensation-related conflicts of interests and prevent individuals from taking on excessive risks to increase their own compensation.

rA applies a fair and balanced approach to remuneration, which considers the long-term interests of its employees, clients and shareholders along the following principles:

- **Gender- and age-neutral remuneration and equal treatment:** The given function is the determining factor in the amount of the annual fixed salary.
- **Fair and market-oriented pay:** The compensation levels are aligned with the market in general, whereas special attention is given to the niche market our company does business in; the levels are reviewed on a regular basis.
- **Long-term success:** Focus is placed on long-term success and the avoidance of excessive risk. The company rewards consistently positive efforts and does not look to maximize profits for the short term.

Functions with a direct influence on the risk profile of rA receive special attention in the remuneration process. Remuneration of these individuals is at all times consistent with a solid and effective approach to risk management and will never threaten the financial soundness of the company.

The variable remuneration for rA employees is subject to approval by the Board of Directors of rA.